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VIA COURIER

September 15, 2006

RECEIVED

SEP 15 2006

Federal Communications Commission  
Office of the Secretary  
Attention: Marlene Dortch, Secretary  
445 - 12<sup>th</sup> Street S.W., Room TW B-204  
Washington, DC 20554

Federal Communications Commission  
Office of Secretary

RE: Qwest Corporation's Cost Allocation Manual Revisions  
WC Docket No. 03-228 "Operate Independently" Requirements for Section 272  
Affiliates ("OI&M Order")

Dear Ms. Dortch:

In compliance with 47 C.F.R. Section 64.903 of the Federal Communications Commission's ("Commission") rules, Qwest Corporation ("Qwest") hereby submits the attached material with partial updates to the Cost Allocation Manual ("CAM").

Qwest's CAM is being revised to update affiliate descriptions and to designate OI&M services, as required by the Commission's *OI&M Order*,<sup>1</sup> and other services that will be provided to OnFiber Communications, Inc.

Qwest is serving a copy of these revisions via hand delivery on the Acting Division Chief of the Pricing Policy Division of the Wireline Competition Bureau, Albert Lewis, and the Commission's duplicating contractor.

Acknowledgment and date of receipt of this submission are requested. A copy of this letter is provided for this purpose.

Sincerely,

Attachment

3.4 Copies rec'd 093  
List A B C D E

<sup>1</sup> In the Matters of Section 272(b)(1)'s "Operate Independently" Requirement for Section 272 Affiliates, Report and Order in WC Docket No. 03-228, Memorandum Opinion and Order in CC Docket Nos. 96-149, 98-141, 01-337, 19 FCC Rcd 5102 (2004).

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COST ALLOCATION MANUAL  
(CAM)**

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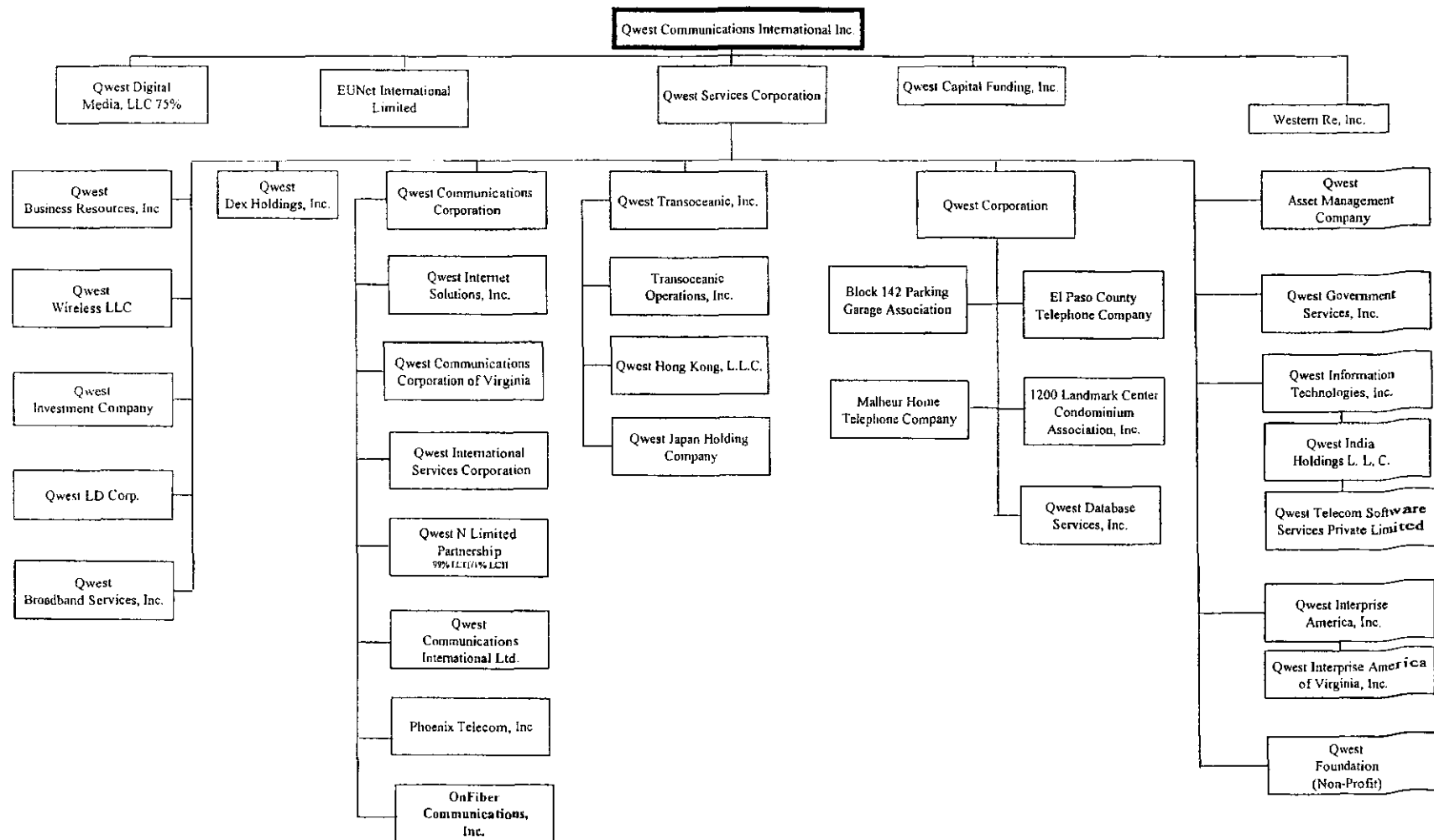
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## SECTION IV: CHART OF CORPORATE AFFILIATES

### Introduction

The Joint Cost Order requires each cost allocation manual to contain a "chart showing all of its corporate affiliates" (Joint Cost Order, 2 F.C.C.Rcd at 1328). This Section of the Manual is the Qwest Corporation Chart of Corporate Affiliates in the form of an organizational chart.

Chart of Corporate Affiliates  
(as of September 8, 2006)



Excludes Foreign Affiliates that have no transactions with Qwest Corp.

Qwest Corp.  
IV-2 Revised 09-15-06

B. List of Affiliates

E U Net International Limited is a telecommunications company located in the United Kingdom.

OnFiber Communications, Inc. (a Section 272 Affiliate) is a subsidiary of Qwest Communications Corporation (a Section 272 Affiliate) and is a provider of telecommunications data services.

Qwest Broadband Services, Inc. provides video programming, other programming services, and data services as well as the subscriber interaction for the selection or use of these services.

Qwest Business Resources, Inc. (BRI) The procurement organization manages supplier selection, price and service negotiations, supplier performance to contract commitments, and the Minority and Women Business Enterprises program. It also manages inventory levels, warehousing, transportation, salvage and brokerage services, and company-wide office information management services including mail, reprographics, meeting services and facsimile asset management. Real Estate manages Qwest real estate needs, including property and project management, building access control, lights, heating and air conditioning.

Qwest Capital Funding, Inc. facilitates obtaining debt financing for the Qwest unregulated subsidiaries.

Qwest Communications Corporation (a Section 272 Affiliate) is a provider of telecommunications services including local, long distance and data services.

Qwest Communications International Ltd. holds certain Indefeasible Right to Use agreements.

Qwest Government Services, Inc. markets, arranges for and manages integrated data, voice, video and CPE solutions for government and education customers.

Corp. and the nonregulated affiliates, the transferred assets are valued at "the currently effective tariff rate or at the price as determined by a prevailing price list held out to the general public in the normal course of business" – if either of these two valuation mechanisms is available. If not available, then "assets transferred out of regulation are recorded at no less than the higher of net book cost or fair market value, while assets transferred into regulation are recorded at no more than the lower of net book cost or fair market value." However, carriers are not required to perform the net book cost/fair market value comparison for the first \$500,000 of asset transfers, on a product-by-product basis, per year, per affiliate. In such cases, the assets are recorded at net book cost.

Affiliate Transactions from Qwest Corporation to Affiliates												
Asset/Service Provided **	OnFiber Com- munications, Inc.	Software Services	Services Corp.	Trans Oceanic	Western Reinsurance	Wireless						
Tariffed Rate												
Billing and Collections						D						
Telecommunications Services	D		D			D						
Wholesale Contract Services												
Public Filed Agreement/Statement of Generally Available Terms												
Interconnection	O											
Leased Network Facilities						D						
Network Services			O									
Wholesale Operator Services						D						
Prevailing Company Price												
Administrative Services												
Billing & Collection Services						D						
Finance Services	D	D	D	D	D	D						
Human Resources			D			D						
Information Technologies			D			D						
Internal Communications			D			D						
Leased Assets						D						
Marketing and Sales						D						
Network Services	D			D		D						
Space and Furniture Rental	D		D			D						
Wholesale Operator Services												
Wholesale Contract Services												
Assets—Higher of Fair Market Value and Net Book Costs												
Computers			O			O						
Motor Vehicles						O						
Office Equipment			O									
Other Work Equipment						O						
Services—Higher of Fair Market Value or Fully Distributed Cost												
Administrative Services (FDC)			D			D						
Billing and Collections (FDC)						D						
Information Technologies (FDC)			D			D						
Leased Assets (FDC)			D			D						
Leased Assets (FMV)			D			D						
Management Services (FDC)						D						
Marketing and Sales (FDC)	D					D						
Marketing and Sales (FMV)						D						
Network Services (FDC)			D									
Network Services (FMV)												
Space & Furniture Rental (FDC)			D			D						
Space and Furniture Rental (FMV)			D			D						
Legend												
D = Daily												
W = Weekly												
M = Monthly												
Q = Quarterly												
A = Annually												
O = Occasionally												
** See "List of Assets and Services Provided" appearing earlier in Section V for a more detailed description of assets and services provided.												

Affiliate Transactions from Affiliates to Qwest Corporation										
Asset/Service Provided **	Business Resources	Broadband Services	Communications Corporation	Government Services	Information Technologies	Interprise America	LD Corp	N Ltd Partnership	Services Corp.	Wireless
Prevailing Company Price										
Cable Services		D								
Equipment/Material						O				D
Internal Communications			D							D
Leased Assets			D							
Leased Network Facilities			D							
Telecommunications Services			D							
Assets--Lower of Fair Market Value or Net Book Cost										
Computers	O		O	O	O	O			O	O
Digital Electronic Switching										O
Materials and Supplies			O					O		
Motor Vehicles				O						O
Other Work Equipment										O
Special Purpose Vehicle										O
Services--Lower of Fair Market Value or Fully Distributed Cost										
Corporate Communications (FDC)									D	
Corporate and Shared Services (FDC)				D					D	
Finance (FDC)									D	
Human Resources (FDC)									D	
Information Technologies (FDC)					D					
Internal Communications (FDC)									D	
Leased Assets (FDC)			D							
Legal Services (FDC)									D	
Management Services (FDC)									D	
Marketing and Sales (FDC)									D	
Marketing and Sales (FMV)										D
Network Services (FDC)	D									
Procurement (FDC)	D									
Product Planning (FDC)									D	
Regulatory and Public Policy (FDC)									D	
Space and Furniture Rental (FDC)	D		D							
Space and Furniture Rental (FMV)	D		D							
Technical Support Services (FDC)									D	
Treasury (FDC)									D	
Trust Management (FDC)									D	
Wholesale Services (FDC)						D				
Legend										
D = Daily										
W = Weekly										
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** See "List of Assets and Services Provided" appearing earlier in Section V for a more detailed description of assets and services provided.										

QWEST  
TRANSMITTAL LETTER MATRIX  
CAM CHANGES  
September 15, 2006

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IV CHART OF CORPORATE AFFILIATES				
IV-2	NA	OnFiber Communications, Inc.	Addition to Company Organization Chart	NA
V STATEMENT OF TRANSACTIONS WITH AFFILIATES				
V-4,11	NA	OnFiber Communications, Inc.	Added description and revised matrix to reflect addition of new affiliate.	N/A